

C O N F I D E N T I A L

25X1A

BOOK DISPATCH

TO : Chiefs of Overseas Stations and Bases [REDACTED]
SUBJECT : Increase in Minimum Amount for Which Receipts
are Required

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REFERENCES: [REDACTED]

1. Headquarters effective immediately has increased from \$15 to \$50 the minimum amount for which receipts or certificates in lieu of receipts are required to support reimbursement claims and accountings at overseas installations chargeable to confidential funds, except for travel claims. As receipts for \$50 or less (except for travel) are not required to support expenditures, such receipts will no longer be accepted or retained by station funds custodians as support for accountings and claims.

2. No change in present receipt requirements for travel claims and accountings was authorized because the travel function is common to all agencies. On this basis it was concluded there was no Organization unique rationale for departing from the receipt provisions of the Federal Travel Regulations. The practical effect of this exception is that lodging receipts, regardless of dollar value, will continue to be required for lodging claimed on an actual expense basis and for other expenditures (usually transportation) of more than \$15.

3. The authorization to increase the minimum amount for which receipts are required was based on a staff study initiated to determine whether documentary requirements for overseas claims and accountings could reasonably be simplified in view of the cost factors associated with handling receipts, i.e., monitoring the requirement that receipts be provided, verifying receipts with claims, pouching, storage, etc. On the basis of the study it was estimated that one-third of all receipts are for \$50 or less. It was also determined that a change in the level for which receipts were required could be made without decreasing the effectiveness of Organization controls over utilization of appropriated funds for official purposes. Every claim is subject to review and certification by a finance Certifying Officer that the claim is appropriate for payment or credit under Organization regulations. The substantive basis for the integrity of each claim so certified is not so much dependent upon the receipts supporting the claim as upon the claimant's certification that the claim is correct and proper for the stated official purposes coupled with approval by the designated Approving Officer.

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4. All personnel should be informed of this change in policy subject to general guidance as follows:

- a. The establishment of \$50 (\$50.01 or its foreign currency equivalent) as the minimum amount for which receipts are required for claims and accountings except travel is unique to our Organization and must not affect actual practice of employees and agents in accepting or requiring receipts from others in accordance with established business customs in the locality. For example, indigenous personnel should be required to receipt for payroll payments in accordance with established customs regardless of dollar amount.
- b. Claimants, rather than station funds custodians, will be responsible for retaining for such period of time as considered necessary any receipts of \$50 or less for which an operational requirement or other local need may be anticipated such as (1) to rebut a possible third party allegation of nonpayment of an amount paid such as safe house rental, utility payment, agent payment, or compensation to indigenous employees; (2) to support a possible warranty claim in case of product purchase; and (3) to recover a refundable deposit of any type.
- c. Claimants should be actively discouraged from turning in receipts or certificates in lieu of receipts for expenditures of \$50 or less or even from making them available for inspection of the funds custodian. Employees should be aware that any such receipts will be destroyed if submitted.
- d. Employees receiving a Living Quarters Allowance (LQA) from a cover organization should continue to retain housing receipts in accordance with cover organization policy to document periodic reports of actual housing costs required by the cover organization. Receipts of \$50 or less will not be required to document reports of housing costs required by the station for its administration of LQA or SLQA entitlements.

5. Organization regulations and handbooks are in process of amendment to reflect the foregoing policy change.

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